



# *American Recovery and Reinvestment Act of 2009*

## *Overview*

Implementation at the  
Department of Housing and Urban Development

**May 12 - 14, 2009**



***HUD's \$13.61B in funding under the Recovery Act supports 3 main themes across 9 departmental programs.***

## 1. Promoting Energy Efficiency & Creating Green Jobs

### Funding:

\$4.00B: Public Housing Capital Fund

\$0.51B: Native American Housing Block Grants

\$0.25B: Assisted Housing Energy & Green Retrofit Program

\$0.10B: Lead Hazard Reduction/ Healthy Homes

**\$4.86B Total**

### Benefits/Outcomes:

- ✓ Reduce greenhouse gas emissions
- ✓ Decrease consumer energy costs
- ✓ Increase quality & longevity of public and Native American housing stock

**✓ Support tens of thousands of jobs by 2010**

***HUD's \$13.61B in funding under the Recovery Act supports 3 main themes across 9 departmental programs.***

## 2. Unlocking the Credit Markets & Supporting "Shovel-Ready" Projects

### Funding:

\$2.25B: Tax Credit Assistance Program

\$2.00B: Project Based Rental Assistance

**\$4.25B Total**

### Benefits/Outcomes:

✓ Produce tens of thousands of affordable housing units

✓ Unlock private lending

**✓ Support tens of thousands of jobs by 2010**

***HUD's \$13.61B in funding under the Recovery Act supports 3 main themes across 9 departmental programs.***

## **3. Mitigating the Effects of Foreclosures & Preventing Community Decline**

### Funding:

\$2.00B: Neighborhood Stabilization Program

\$1.50B: Homelessness Prevention Fund

\$1.00B: Community Development Block Grants

**\$4.50B Total**

### Benefits/Outcomes:

✓ Stabilize property values

✓ Prevent homelessness

✓ Prevent neighborhood blight

**✓ Support tens of thousands of jobs by 2010**

# Implementation Approach

***HUD’s delivery approach combines short-term spending on “shovel-ready” projects via formula grants with longer-term focus on program targeting through competition.***

Program Funding Amounts	Short-Term Focus: Quick Spending & Job Stimulus	Long-Term Focus: Program Restructuring & Targeting
Timing of Funding	All allocations announced on <b>2/25/09</b> \$5.255B in obligations by <b>Apr</b> \$3.35B in addt'l obligations by <b>Jun</b> \$1.50M in addt'l obligations by <b>Aug</b>	\$1.25B in obligations by <b>9/30/09</b> \$2.25B in addt'l obligations by <b>2/17/10</b>
Public Housing Capital Fund: \$4.00B	\$3.00B	\$1.00B
Native American Housing Block Grants: \$0.51B	\$0.255B	\$0.255B
Assisted Housing Green Retrofits: \$0.25B		\$0.25B
Lead Hazard Reduction: \$0.10B	\$0.10B	
Tax Credit Assistance Program: \$2.25B	\$2.25B	
Project-Based Rental Assistance: \$2.00B	\$2.00B	
Homelessness Prevention Fund: \$1.50B	\$1.50B	
Neighborhood Stabilization Program: \$2.00B		\$2.00B
Community Development Block Grants: \$1.00B	\$1.00B	
<b>Total Funding: \$13.610B</b>	<b>\$10.105B (74%)</b>	<b>\$3.505B (26%)</b>



***Given the Recovery Act's unprecedented cross-cutting scope and aggressive timeframe, the Secretary is viewing the Recovery Act as an opportunity to lay the groundwork for future transformation at HUD.***

- 1. Leverage common Recovery Act goals to promote "ONE HUD"**
- 2. Streamline and simplify programs and support processes**
- 3. Promote innovative cross-agency and cross-discipline collaborations**
- 4. Reinvigorate the "HUD network"**
- 5. Build a culture of transparency and accountability**

*The Recovery Act also provides specific statutory guidelines, which are defined more clearly in OMB's implementation guidance.\**

- ▶ Prime and First Tier Funding Recipient Registration
  - Must obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) Number ([www.hud.gov/offices/adm/grants/duns.cfm](http://www.hud.gov/offices/adm/grants/duns.cfm))
  - Must be registered in the Central Contractor Registration (CCR) ([www.ccr.gov/startregistration.aspx](http://www.ccr.gov/startregistration.aspx))

\*See <http://www.recovery.gov/files/Initial%20Recovery%20Act%20Implementing%20Guidance.pdf>



***The Recovery Act also provides specific statutory guidelines, which are defined more clearly in OMB's implementation guidance.\****

- ▶ **Fund Commingling and Tracking**
  - **Funds may be used in conjunction with other funding as necessary to complete projects**
  - **However, tracking and reporting must be separate to meet the reporting requirements of the Recovery Act**

\*See <http://www.recovery.gov/files/Initial%20Recovery%20Act%20Implementing%20Guidance.pdf>





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- ▶ **Audit Publication**
  - **For Fiscal years ending September 30, 2009 and later, all Single Audit reports filed with the Federal Audit Clearinghouse (FAC) will be made publicly available online**

\*See <http://www.recovery.gov/files/Initial%20Recovery%20Act%20Implementing%20Guidance.pdf>



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- ▶ **Other Applicable Statutory Requirements (Awaiting Final Guidance)**
  - **“Buy American” provision**
  - **Davis Bacon prevailing wage requirements**

\*See <http://www.recovery.gov/files/Initial%20Recovery%20Act%20Implementing%20Guidance.pdf>



# The Recovery Act provides very specific guidance for reporting.

Reporting Area	Requirements
Grants (including data for sub-recipients)	<p>Grantees must report the following information to HUD 10 days after the end of each calendar quarter, starting on July 10th, 2009:</p> <ul style="list-style-type: none"><li>✓ Total amount of recovery funds received from HUD</li><li>✓ Amount of funds received expended or obligated to projects or activities</li><li>✓ List of all projects or activities for which recovery funds were expended or obligated</li><li>✓ Evaluation of the completion status of the project or activity</li><li>✓ Estimate of the number of jobs created and retained by the project or activity</li><li>✓ For infrastructure investments made by State and local governments: the purpose, total cost, and rationale of the grantee for funding the infrastructure investment; name and agency contact person</li><li>✓ Jobs Created (FTE calculations described in April 3<sup>rd</sup> OMB Guidance)</li></ul>
Contracts (including data for subcontractors)	<p>Grantees must report the following information on any sub-awards:</p> <ul style="list-style-type: none"><li>✓ Name of the entity receiving the award</li><li>✓ Dollar amount of the award</li><li>✓ Transaction type, funding agency, the North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number (where applicable), program source, and purpose of each funding action;</li><li>✓ Location of the entity receiving the award</li><li>✓ Primary location of performance under the award (including the city, state, congressional district, and country)</li><li>✓ DUNS number of the entity receiving the award and of the parent entity</li><li>✓ Any other relevant information specified by OMB or HUD</li></ul>

***Though the Recovery Act specifically prohibits certain types of projects from being funded, the White House has provided additional guidance against imprudent spending.\****

- ▶ **Section 1604 of Division A of the Recovery Act**
  - **“None of the funds appropriated or otherwise made available in this Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool”**

\*[http://www.whitehouse.gov/the\\_press\\_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/](http://www.whitehouse.gov/the_press_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/)



***Though the Recovery Act specifically prohibits certain types of projects from being funded, the White House has provided additional guidance against imprudent spending.\****

- ▶ **March 20<sup>th</sup> White House Memo**
  - **Departments and agencies cannot approve or otherwise support any project, application, or applicant for funding that is imprudent or that does not further the job creation, economic recovery, and other purposes of ARRA**

\*[http://www.whitehouse.gov/the\\_press\\_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/](http://www.whitehouse.gov/the_press_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/)



***Though the Recovery Act specifically prohibits certain types of projects from being funded, the White House has provided additional guidance against imprudent spending.\****

- ▶ **Lobbyist Communication:** A HUD official may communicate orally with registered lobbyists concerning general Recovery Act policy issues (i.e., not specific projects, applications, etc.), but must immediately document in writing. If the communication is regarding the commitment, obligation, or expenditure of funds under ARRA, the following guidelines must be followed:
  - **Oral Communication:** When scheduling any oral communication all HUD officials must inquire whether any of the individuals or party is registered lobbyist.

\*[http://www.whitehouse.gov/the\\_press\\_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/](http://www.whitehouse.gov/the_press_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/)



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  - **Written Communication:** will be posted publicly by HUD on its recovery website within 3 business days after receipt

\*[http://www.whitehouse.gov/the\\_press\\_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/](http://www.whitehouse.gov/the_press_office/Memorandum-for-the-Heads-of-Executive-Departments-and-Agencies-3-20-09/)





A large, faded circular logo for the Recovery Act is positioned on the left side of the slide. It contains a stylized American flag with stars in the upper left and a green field with a white cross in the lower right.

# **Orientation for Lead Hazard Reduction Recovery Act Grantees:**

## **Focus on Recovery Act Performance Standards and Reporting Requirements**

Office of Healthy Homes and  
Lead Hazard Control



# OHHLC ARRA Grantees

- ▶ “That funds shall be awarded first to applicants which had applied under the Lead Hazard Reduction Program Notices of Funding Availability for fiscal year 2008, and were found in the application review to be qualified for award, but were not awarded because of funding limitations”
- ▶ No additional ARRA funding is available – all funds have been committed



# Governing Regulations

- ▶ Section 1512 of the American Recovery and Reinvestment Act of 2009
- ▶ FY 2008 NOFA
- ▶ HUD Guidelines
- ▶ Lead Safe Housing Rule
- ▶ Lead Disclosure Rule
- ▶ Terms and Conditions of your Grant Agreement
- ▶ Other federal regulations...



# Regulations for States/Local/Indian Tribal Governments

- ▶ 24 CFR part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments;  
[www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1)
- ▶ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations;
- ▶ OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments; Relocated to 2 CFR, Part 225;  
[www.whitehouse.gov/omb/circulars/a087/a87\\_2004.html](http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html)



# Regulations for Non-Profits

- ▶ 24 CFR part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, [www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1)
- ▶ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- ▶ OMB Circular A-87, Cost Principles; Relocated to 2 CFR, Part 225; [www.whitehouse.gov/omb/circulars/a087/a87\\_2004.html](http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html)



# Regulations for Commercial/For-Profits

- ▶ 24 CFR part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations (HUD applies part 84 to for-profit recipients)

[www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1)

- ▶ OMB Circular A-133, Audit Requirements
- ▶ OMB Circular A-122, Cost Principles for Non-profit Organizations, Relocated to 2 CFR, Part 230;  
[www.whitehouse.gov/omb/fedreg/2005/083105\\_a122.pdf](http://www.whitehouse.gov/omb/fedreg/2005/083105_a122.pdf)
- ▶ Federal Acquisition Regulations at 48 CFR part 31.2;  
[www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200748](http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200748)



# Recovery Act Requirements: Financial

- ▶ Draw down 50% of federal award by the end of the 24<sup>th</sup> month
- ▶ Draw down 100% of federal award by the end of the period of performance
  - Last 30 days is closeout period; obligations must be liquidated
- ▶ Strong emphasis on job creation and retention – must still comply with Title X/NOFA



# Recovery Act Requirements: Reporting

## ▶ Annual Reports

- Economic Opportunities for Low- and Very Low-Income Persons (Section 3; Form HUD-60002): July 10
- Race and Ethnic Data Reporting (Form HUD-27061): January 10

## ▶ Quarterly Reports

- **QPRS (Quarterly Progress Reporting System) and RAMPS (Recovery Act Management and Performance System)**
  - The first report is due on ***July 10, 2009***; then,
  - ***10 days*** after the end of each calendar quarter
    - Weekend or holiday: the next Federal workday
- **Logic Model**
- **SF-PPR-Recovery** (Performance Progress Report - Recovery)
- **SF-425** (replaces SF-269)



# Grant Timeline Overview

- ▶ **By July 10, 2009** – Sub-grantees must obtain a DUNS number (or update its existing DUNS record), and register with the Central Contractor Registration (CCR; [www.ccr.gov](http://www.ccr.gov))
- ▶ **Within 60 days of award**
  - Work Plan (with revised budget)
  - Policies and Procedures
  - Line of Credit Control System (LOCCS) set-up
  - Hire all Key Personnel
- ▶ **Within 120 days of award** – Env. Review/Release of Funds
- ▶ **Within 180 days of award** – Units/deliverables begin
- ▶ **By 24 months of award** – Expend 50% of grant funds
- ▶ **By 36 months of award** – final report and all funds expended





# Line of Credit Control System

## ▶ **Setting up**

- Complete HUD-27054 and return to address on form
- Complete Direct Deposit form, SF 1199A, return to OHHLHC

## ▶ **Making a draw down**

- Complete HUD-27053 for each request
- Complete Part 3 Form
- Fax /email HUD-27053 and Part 3 Form with supporting documentation to GTR for payment
- Mail originals to GTR with supporting documentation
- Make requests before end of quarter for credit that quarter
- [www.hud/lead/grants/loccs\\_overview.cfm](http://www.hud/lead/grants/loccs_overview.cfm)



# Environmental Review

## ▶ **Who must do it?**

- Lead-Based Paint Hazard Control
- Lead Hazard Demonstration
- Healthy Homes Demonstration

## ▶ **What to know?**

- 24 CFR Part 58 requires
  - Program Environmental Review – Tier I
  - Request for Release of Funds & Certification
  - Site-Specific Environmental Review – Tier II
- Also see your grant's NOFA



# Environmental Review

## ▶ 24 CFR Part 58

- Applies to most OHHLHC grant awardees, even non-governmental organizations, including for-profits and non-profit entities, institutions of higher learning, or eligible hospital organizations
- ▶ Process is slightly different for different entities
  - Governmental
  - Non-governmental



# Environmental Review

## ▶ Governmental Entities

- Must assume HUD's Environmental Review responsibility (24 CFR Part 58)
- Complete "Tier 1" Env. Review
  - Receive a Release of Environmental Conditions ("Release of Funds") **before expending** any HUD or non-HUD funds on projects or activities that have a physical impact on a property or an impact on the human environment
- After Release of Environmental Conditions:
  - Perform the "Tier 2" or Site-Specific Environmental Review on **each housing unit** in which you perform a physical intervention
  - Maintain the relevant documents in your Environmental Review Record.



# Environmental Review

## ▶ Non-Governmental Entities

- Must have a government assume HUD's Environmental Review responsibility (24 CFR Part 58), called a Responsible Entity
- Must identify and partner with a local government with legal land use authority in the program target area.
- The local government most capable of performing the review function typically already has a relationship to other HUD programs, including but not limited to CDBG, HOME, Lead Hazard Control, Lead Demo programs
- Follow all the requirements previously mentioned



# Environmental Review...Don't Panic!

- ▶ We're here to help...
  - Ed Thomas, OHHLHC Environmental Clearance Officer, [Edward.A.Thomas@HUD.gov](mailto:Edward.A.Thomas@HUD.gov)
  - Guidance and instructions provided to grantees
  - OHHLHC's Healthy Homes Reps. and Govt. Technical Reps.
  - Ask!
- ▶ One last thing...an Exemption:
  - You may conduct lead inspections and risk assessments before receiving Environmental Review Clearance under the exemption of “inspections and testing of properties for hazards or defects.” (24 CFR 58.34(a)(5))



# The Institutional Review Board (IRB)

## ► For Whom Is IRB Approval Required?

- All OHHLHC programs conducting research with HUD support are bound by the Common Rule, mostly Healthy Homes Demonstration grantees and Technical Studies grantees
- Federal Policy for the Protection of Human Subjects in Research, 45 CFR 46
- Adopted by HUD in 24 CFR 60.101
- Also see NOFA



# The Institutional Review Board (IRB)

- ▶ What is “research”?
  - Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to **generalizable knowledge**
  - Implies the use of scientific principles and methods, hypothesis testing and/or statistical analysis
  - Most Healthy Homes Demonstration and Technical Studies projects include research activities





# The Institutional Review Board (IRB)

## ► You need IRB approval if...

- Activity involves research
- Research supported by HUD
- Research involves human subjects
- Investigator intervenes in subjects' environment, interacts with subject, or gathers private information
- Research involves collection/use of data that are publicly available or have no personal identifiers
- For additional information, see the Department of Health and Human Services, Office of Human Research Protection (OHRP) website: [www.hhs.gov/ohrp/](http://www.hhs.gov/ohrp/)



# Implementing your grant

- ▶ **Policies and Procedures – how?**
- ▶ **Work Plan – what?**
- ▶ Your work plan contains the policies and procedures (see NOFA)



# Policies and Procedures

## ► It's the HOW of your grant

- procurements (contracting);
- unit eligibility, unit selection and prioritization;
- all phases of lead hazard evaluation and control, including risk assessments and inspections,
- development of specifications for contractor bids; and
- pre-hazard control blood lead testing,
- financing,
- temporary relocation, and
- clearance examinations
  - grantees, subcontractors, sub-grantees, sub-recipients, and their contractors must adhere to these requirements



# Work Plan

## ▶ **It's the WHAT of your grant**

- Consists of designated work activities including tasks and subtasks as required by the program office;
- a timeline for completing the work;
- performance measures;
- outputs and outcomes identified to achieve the performance measures/goals;
- budget; and
- resources designated to complete the work

## ▶ Basis formed from Factor 3 Response of your application



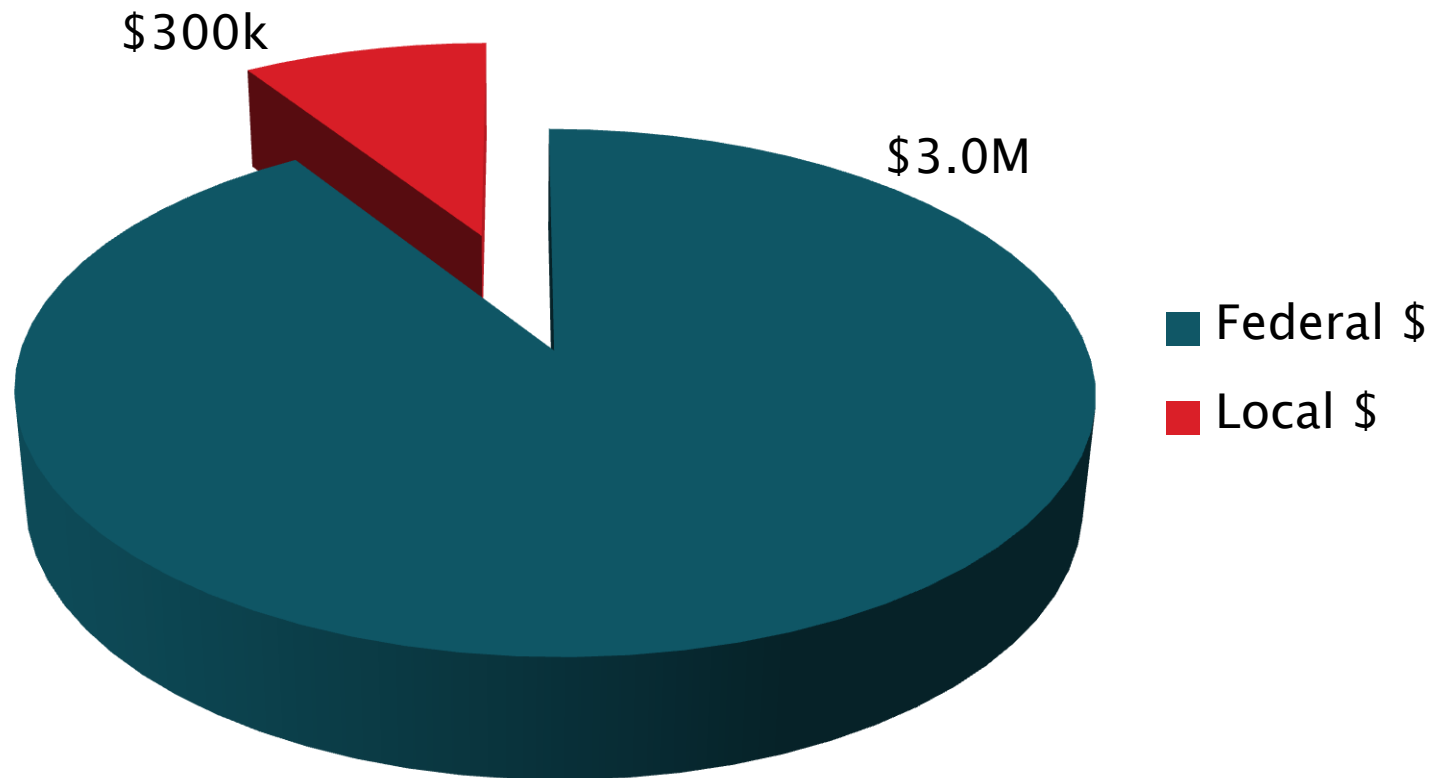
# Work Plan: financial

- ▶ What to include?
  - Funding mechanism for recipients—loans or grants, owner contributions, sweat equity, etc.
  - Sources of funding—match and federal, leveraged resources
  - Monitoring and reporting of funding
    - Quarterly reporting through SF-425, RAMPS, etc.
  - Process for making requests from LOCCS
  - Benchmarks



# Match funding

Your Grant's \$3.3M Budget (min. match shown)



# Match funding

## ► What is match?

- Simply put...cost-sharing **required by statute**
- Using local/non-federal money for the same purpose as the federal funds
- Only for allowable costs (but all costs allowable may be matched)
- Examples:
  - Discounts: Bank loan percentage cuts (difference)
  - Property-owner contributions: sweat equity, cash (fair-market value)
  - Donations
  - 3<sup>rd</sup>-Party In-kind: salaries, space, materials/goods, etc.



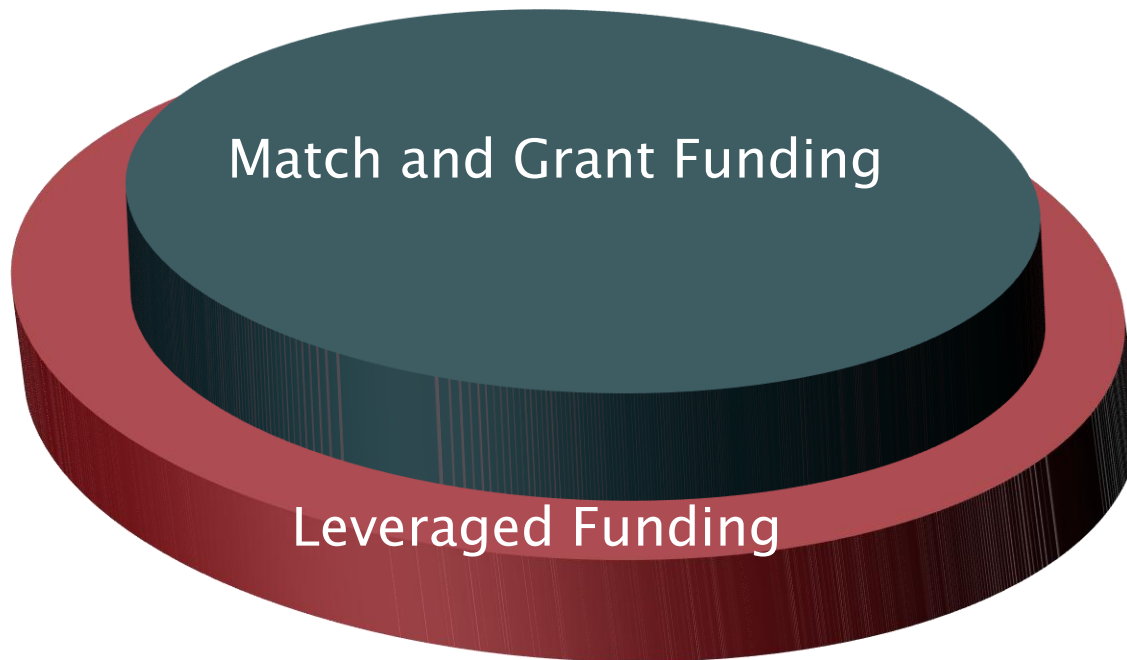
# Match and Leverage: Record-keeping

- ▶ Must be verifiable from the records of grantees and sub-grantee or cost-type contractors
- ▶ Must show how the value placed on third party in-kind contributions was derived
- ▶ To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs. (24 CFR 85)





# Leveraged funding



# Leveraged funding

## ► What are leveraged funds?

- Simply put...project-enhancing funding
- Using local/non-federal and other federal money for a complimentary purpose to the program's grant funds
  - LEAP Only: sources are only private sector; no public funding used; **treated just like match!**
- Adds value to the grant funds: “specifically dedicated to and integrated into supporting the programs” (NOFA)
- Examples:
  - HOME/CDBG rehab funds (rehab and lead together)



# Lead Certification Requirements

- ▶ For lead-based paint inspection, risk assessment, lead dust sampling, abatement, or interim controls:
  - Firms and persons shall be qualified for the activities according to 24 CFR Part 35, subpart R (possessing, as applicable, certification valid for the State in which the activity is conducted as abatement contractors, risk assessors, inspectors, abatement workers, or sampling technicians, or, for interim lead hazard control work, training in a HUD-approved course in lead-safe work practices); and



# Lead Certification Requirements

- ▶ For renovation, repair, or painting, renovation firms and renovators performing work on or after April 22, 2010 (or other date specified by the EPA or the State in which the activity is conducted):
  - The firm and workers shall be certified for the activities they do according to 40 CFR Part 745, except that
  - Any uncertified workers on such activities shall be trained in a HUD-approved course in lead-safe work practices.



# Lead Certification Requirements

- ▶ Only laboratories recognized by the EPA for the analysis of samples for lead in paint, soil or dust under its National Lead Laboratory Accreditation Program shall be used for analyzing those samples.



# Resources

- ▶ **HUD's Recovery Act home page:**  
[www.hud.gov/recovery](http://www.hud.gov/recovery)
- ▶ **OHHLHC's Recovery Act New Grantee Orientation web page:**  
[www.hud.gov/offices/lead/arra.cfm](http://www.hud.gov/offices/lead/arra.cfm)

